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SUBJECT: ITALY IPR: EMBASSY HOSTED VIDEO WEBCHAT UNITES UNIONS AND LARGE INDUSTRY IN CALL FOR ENHANCED IPR PROTECTION

REF: A. ROME 1217

¶B. ROME 337
¶C. 06 ROME 3334

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¶11. SUMMARY: Embassy Rome recently hosted a live on-line conversation on Intellectual Property Rights (IPR) between a top representative from Italy's largest labor union and another from its preeminent industry association--a first. Over the course of an hour, both presenters emphasized the damage that IPR piracy does to Italian labor and business. The industry rep noted that piracy distorts competition, cripples small business, and presents hazard and quality problems to consumers. The union rep fervently denounced piracy/counterfeiting, flagging legitimate job losses in both manufacturing and sales. Strikingly, the union representative even questioned Italian industry's commitment to IPR protection. Both agreed that the expectation of compensation drives creativity and innovation and called for better enforcement of existing IPR law. END SUMMARY.

¶12. On June 15, a top representative from CGIL (Italy's largest and most leftist labor union with over five million members) and another from Confindustria (Italy's large industry association) discussed IPR live via Embassy Rome's website. Often on opposite sides of issues, this was an unprecedented collaboration. Both speakers supported effective protection for IPR in Italy, and emphasized the value IPR holds for Italian business, labor, and society. This event continued Mission Italy's efforts to enhance IPR's public profile and secure political support for enhanced enforcement of IPR laws.

¶13. This on-line webchat is part of a web-based public affairs program known as "Face to Face," which is an integral part of Ambassador Spogli's Partnership for Growth initiative. In this forum, web viewers pose questions directly to presenters on-line via e-mails to the Embassy's

website, which the presenters answer in real time. This webchat aimed to reach an audience of labor union members and business people, who had been notified by their respective organizations about the event. In this way the Embassy was able to communicate the detrimental impact piracy has on both industry and the job market in a convenient, cost-effective manner. Over 200 work stations tuned into the Embassy website for the discussion, which stretched existing capacity of our internet connection. After the event, we learned that a number of other viewers were not able to access the webchat because our bandwidth would not support it. However, we also understand that actual viewership was larger than indicated by band-width capacity, given that unions provided general access to members at many offices. The presentation is now archived on our website, available for new viewers to watch the recorded version.

¶4. The webchat speakers were Valeria Fedeli, Secretary General of FILTEA, CGIL's Textile Union, and one of Italy's 30 most influential women (according to a recent poll conducted by Italy's largest circulation daily Il Corriere della Sera), and Marco Felisati, coordinator of Confindustria's anti-piracy committee. In a lively 1-hour plus conversation, both underscored the damage that piracy and counterfeiting do to Italian labor and business, and the benefits that IPR protection and awareness offer Italian society.

¶5. Felisati noted that intellectual piracy distorts competition and makes it very difficult for small and medium sized companies to stay in business. He described the substandard quality that characterizes most pirated/counterfeited goods, and pointed to the potential health and safety hazards caused by counterfeit products. Felisati noted that in Italy, not only the sale, but also the purchase of counterfeit goods, is illegal. He called for effective and realistic sanctions (Note: Current fines

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available to law enforcement personnel are very high, leading to a reluctance to impose them.) against purchasers of counterfeit products as a way to reduce the phenomenon, as well as adequate prosecution of Italy's already extant IPR laws. Felisati's discussion was articulate, well-argued, and fully supported effective IPR protection.

¶6. CGIL's Fedeli has become a firm, if initially unexpected, ally in the Embassy's efforts to advocate improved IPR protection in Italy (refs A and B). In this discussion she was possibly more vehement than Felisati, calling for strong recognition of the value of IPR, and better protection of IPR. She took issue with illegal street vending of counterfeit products in particular, holding that it can no longer be tolerated--not only because of the significant impact on jobs in the legal economy. She also noted a heavy social cost of piracy, maintaining that vendors are often illegal immigrants who are manipulated by organized crime and deprived of many basic employment and social benefits.

¶7. Both Fedeli and Felisati highlighted the principle that just compensation for creativity and innovation is a necessary incentive for entrepreneurs and innovators, who are crucial to Italy's economic growth and job creation. They called for promotion of a culture that places greater value on IPR, and expressed strong support for "IPR education" programs starting in schools and becoming integral part of university curricula.

¶8. In the only confrontational moment, Fedeli argued that Confindustria associates do not support IPR well enough. She stated that businesses must work more effectively to disseminate information about the perils of piracy, and must collaborate more effectively with GOI and labor unions to reduce the level of piracy and counterfeiting in Italy.

¶9. COMMENT: Often confrontational on many economic issues,

these two representatives of large industry and Italy's largest union are collaborating on IPR protection. Fedeli's and Felisati's involvement in this on-line webchat accomplished several objectives: it provided another occasion to call for enhanced IPR protection in a new context, and allowed us to reach a significant number of viewers using already available resources. Further, by featuring a union leader, we were able to reach a part of Italian society not ordinarily interested in or in favor of IPR issues (union members). We view union buy-in and an energized industry association, combined with recent encouraging GOI actions to raise the level of public discourse on IPR (ref C), as real breakthroughs in the effort to get Italy to take IPR seriously. END COMMENT.

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